

March 10, 1980

having been in the loan business for about fourteen years, I have bumped into and used the rule of 78 many many times. For example, to...as a little tip off to a certain senator who shall be nameless but who is new to the Legislature, if he would just say, I am readopting the rule of 78 for a year or two, fine. We could understand those things. Rule 78 is if you take a loan for twelve months, in the first month of that loan you have had twelve twelfths of that loan out. The second month of the loan, during that first month you paid one payment back, so during the second month you only had eleven twelfths of that loan out. The fifth month you have had seven twelfths of that loan out and so on. So then you add the twelve, the eleven, all that. That adds up to 78. When you have a way of figuring out the amount of interest that you pay, you owe rather, on that loan on the particles of that loan, you have divided the loan into 78 parts and the number of parts you had during the course of that loan is what they figure, that applied to the amount of interest that was charged is what you pay as interest on that loan. Now the amortization...do you want the other route or...? Okay.

SENATOR NICHOL: Thank you, Senator Goodrich, and that is good and that is fair and I support the amendment.

SPEAKER MARVEL: Okay, Senator Johnson, do you want to close on your amendment.

SENATOR JOHNSON: Well I thought I did, Mr. Speaker, so this time I really will waive closing.

SPEAKER MARVEL: The motion is the adoption of the Johnson amendment to 279. All those in favor vote aye, opposed no. We are voting on the Johnson amendment to 279. Have you all voted? Record the vote.

CLERK: 26 ayes, 1 nay on adoption of Senator Johnson's amendment. I have nothing further on the bill.

SPEAKER MARVEL: The motion is to advance LB 279 to E & R for review. All those in favor of that motion vote aye, opposed no. Record the vote.

CLERK: 29 ayes, 0 nays on the adoption of the resolution (sic) Mr. President.

SPEAKER MARVEL: The motion is carried. The bill is advanced. Now the Clerk has a resolution and we need a suspension of the rules to bring up the resolution. Do you want to read it?

CLERK: Yes. (Read LR 212 as found on pages 1097-1098 of the Journal.) Mr. President, the Speaker moves to suspend Rule 4, Section 6 so as to take up LR 212 today.